

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7190

BILL NUMBER: SB 504

DATE PREPARED: Mar 22, 2002

BILL AMENDED: Mar 14, 2002

SUBJECT: Delay of Uninsured Parents Program.

FISCAL ANALYST: Alan Gossard

PHONE NUMBER: 233-3546

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (CCR Amended) This bill delays the effective date of the Uninsured Parents Program (UPP) for two years. It also reinstates the Hospital Care for the Indigent program (which was otherwise repealed July 1, 2004) until June 30, 2004.

The bill also amends the hospital's reimbursement calculation.

Effective Date: (Amended) July 1, 2000 (retroactive); July 1, 2001 (retroactive); January 1, 2002 (retroactive); July 1, 2002; July 1, 2003.

Explanation of State Expenditures: There should be no net impact from reinstating the HCI program. The Uninsured Parents Program was established by SEA 561-2001, and its implementation was not expected to have an impact on state expenditures. Consequently, delaying the implementation of the UPP by two years should have no fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) This bill also amends the reimbursement methodology for hospitals in the Medicaid program. The change will allow hospitals the opportunity to receive higher reimbursement amounts payable under the Medicaid "upper payment limit" methodology and funded through intergovernmental transfers. Consequently, this provision may positively impact the reimbursement of some municipally or county-owned hospitals.

State Agencies Affected: Office of Medicaid Policy and Planning.

Local Agencies Affected: Some municipally or county-owned hospitals.

Information Sources: Tim Kennedy (Hall, Render, Killian, Heath, and Lyman), (317) 633-4884.